REMARKS/ARGUMENTS

Requirement for Information Under 37 C.F.R. s. 1.105

The Examiner has requested any known publications, brochures, manuals and press releases that describe RiskWatch 3.0 and what the differences are between RiskWatch 3.0 and RiskWatch 3.1.2. In response, the Applicants have consulted records in their possession and have further located the following additional documents:

Document Title	Type	Date
RiskWatch 3.0 Manual	Manual	N/A
Algo 99 – Dynamic Simulation	Presentation	June 3, 1999

The RiskWatch 3.0 manual outlines the functionality of RiskWatch 3.0. The screen captures were not available but are nonetheless not relevant to the Examiner's inquiry. The Algo 99 – Dynamic Simulation presentation constitutes the first public disclosure of the claimed subject matter. The ability to simulate dynamic trading strategies and dynamic evolving portfolios was not publicly disclosed prior to June 3, 1999.

The Examiner has made reference to the article Hedging credit, market risk by Karen Spinner. The article refers to the ability of RiskWatch 3.0 to calculate credit risk (see chapter 6 – pages 113-139), which requires the ability to simulate a portfolio through time. However, in known systems at the time of filing of the parent application, including the system described in the article and identified by the Examiner, (i.e. RiskWatch 3.0), the portfolio is static and not allowed to evolve using dynamic rules.

More specifically, at best RiskWatch 3.0 had the ability to settle cashflows from instruments through time and grow those cashflows at pre-determined interest rates. The enclosed RiskWatch 3.0 manual describes this ability in Chapter 3 at page 45. The Applicants respectfully submit that this predefined and fixed manner of portfolio evolution was known at the time of filing and was generally identified in paragraph 5 of the background section of the application.

For completeness, the Applicants also enclose a presentation given on June 3, 1999. This presentation constitutes the first public disclosure of the ability to simulate dynamic trading strategies and dynamic evolving portfolios in RiskWatch. This presentation describes many of the objects and features of the new capability. Versions of RiskWatch that were available prior to the date on which this presentation was given are discussed in the background section of the present application. No version of RiskWatch available prior to June 3, 1999, including RiskWatch 3.0 and 3.1.2 had the dynamic capabilities discussed in the presentation.

The Applicants were unable to uncover any additional documents (other than those enclosed with the previous response) in their records concerning the specific differences between RiskWatch 3.0 and RiskWatch 3.1.2. The Applicants respectfully refer the Examiner to the documents provided with the previous response, in which the differences between RiskWatch 3.1.2 and its predecessors (e.g. RiskWatch 3.0) were generally identified.

The Applicants respectfully submit that versions of the RiskWatch systems described in the enclosed manual, including the version cited by the Examiner, were known risk management systems prior to June 3, 1999, as identified in paragraphs 4 and 5 of the background section of the application. As noted in the application and in the previously-filed responses, none of the versions of the RiskWatch systems known prior to June 3, 1999 implemented the subject matter claimed in the present application. Unlike the embodiments claimed in the

present application, these known systems did not offer the functionality of dynamically evolving portfolios or dynamic trading strategies as provided in the claims.

In view of the foregoing, it is respectfully submitted that the present application is now in a position for allowance and a Notice to that effect is respectfully requested.

Respectfully submitted,

DEGRAAF et al.

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